



PUBLIC NOTICE

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WIRELINE COMPETITION BUREAU ANNOUNCES POSTING OF REVISED MODEL USED TO DETERMINE NON-RURAL HIGH-COST UNIVERSAL SERVICE SUPPORT

CC Docket No. 96-45

In this Public Notice, the Wireline Competition Bureau (Bureau) announces the posting of a revised version of the Commission's cost model used to calculate high-cost support for non-rural carriers.¹ This revised version of the cost model contains technical corrections to the High Cost Proxy Model (HCPM) made since it last was posted on December 18, 2001.² The revised version of the model is posted on the Commission's website at <http://www.fcc.gov/web/tapd/hcpm/>, and the technical corrections are explained in detail in the history doc file on the Commission's website. In addition, the Bureau announces technical corrections made to the HAI component of the Commission's cost model, which are also explained in detail in the history doc file on the Commission's website.³ The revised version of the model will be used to calculate non-rural high-cost support based on the modified non-rural high-cost support methodology adopted by the Commission in the *Ninth Universal Service Report and Order* remand proceeding beginning January 1, 2004.⁴

For further information regarding this Public Notice, please contact Katie King or Tom Buckley at (202) 418-7400.

¹ See *Federal-State Joint Board on Universal Service*, CC Docket Nos. 96-45, 97-160, Fifth Report and Order, 13 FCC Rcd 21,323, 21,329, para. 13 (rel. Oct. 28, 1998) (*Fifth Report and Order*). See also *Qwest v. FCC*, 258 F.3d 1191, 1206-07 (10th Cir. 2001). Because the Commission expected that there would be a need to make technical improvements to the model on an ongoing basis, the Commission delegated to the Bureau "the authority to make changes or direct that changes be made as necessary and appropriate to ensure that the model platform of the federal mechanism operates as described in this Order." *Fifth Report and Order*, 13 FCC Rcd at 21,329, para. 13.

² The HCPM, which consists of the cluster module, cluster interface module, and feeder/distribution module, is the component of the model platform which determines customer locations and designs outside plant for non-rural carriers. See *Fifth Report and Order*, Appendix A, 13 FCC Rcd at 21,369-70, 21,374-75, paras. 17-20, 31-35.

³ The HAI is the component of the model platform used to calculate expenses related to corporate overhead, customer operations, and general support facilities.

⁴ *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order on Remand, Further Notice of Proposed Rulemaking, and Memorandum Opinion and Order, FCC 03-249, n. 248 (rel. Oct. 27, 2003).